

**Town Council Minutes  
Morehead City, North Carolina**

**Friday, March 28, 2014, 2014 at 9:00 a.m.  
Special Meeting/Budget Work Session**

The Honorable Council of the Town of Morehead City met in Special Session/Budget Work Session on Friday, March 28, 2014, at 9:00 a.m., in the Council Chambers, Morehead City Municipal Building, 202 South 8<sup>th</sup> Street, Morehead City, North Carolina. The purpose of the Special Meeting was a presentation of the Space Needs Analysis Report by MMM Design of Norfolk, Virginia and the adoption of a resolution and ordinances for the Waterfront Access Improvements in the 700 Block of Shepard Street [Jib Plaza]. Those in attendance were:

MAYOR:	Gerald A. Jones, Jr.
MAYOR PRO TEM:	George W. Ballou [Absent]
COUNCIL:	William F. Taylor [Absent]
	Demus L. Thompson
	Harvey N. Walker
	Diane C. Warrender
CITY MANAGER:	David Whitlow
CITY CLERK:	Jeanne M. Giblin
OTHERS:	Public Works Director David McCabe; Recreation Director Craig Land; Tom Kies; Mark Hibbs, Reporter, THE CARTERET NEWS TIMES

**I. Meeting Call to Order**

Mayor Jones called the meeting to order at 9:00 a.m.

**II. Adopt Resolution 2014-13 Declaration of Official Intent to Reimburse for Waterfront Access Improvements 700 Block of Shepard Street [Jib Plaza Project] and Budget Ordinance Amendments 2014-13 and 2014-14 Regarding the Jib Property Waterfront Access Grant Project Fund**

City Manager Whitlow reported that funding is available through the North Carolina Eastern Regional Development Trust Funds [NCER] to help pay for the next phase of the jib project. It is estimated that \$607,000 is needed for this phase of the jib project and it is recommended tapping into this Eastern Alliance [Eastern Carolina Economic Program] to fund \$407,000 for the project. [The City has previously made application for a CAMA grant in the amount of \$200,000.] The application has a June 30<sup>th</sup> closing date, the funds if not requested would revert back to the state. The funding for the \$407,000 would be in the form of a five [5] year loan with 0 percent interest. The payment for Morehead City would be \$81,000 a year for five [5] years. The funding must be applied for by a county governing agency, however, Morehead City will use the funds and repay any costs.

Resolution 2014-13 is the first of the procedures set by the Local Government Commission [LGC] for the application for the loan by declaring the Town of Morehead City's resolve and official intent to repay the borrowed funds. Budget Ordinance Amendment 2014-13 is to appropriate fund balance in the amount of \$65,500 and increase transfers to other funds in the same amount for a transfer to the Jib Waterfront Access Capital Project Fund for projected costs related to architectural, legal and loan costs for Phase II improvements. Budget Ordinance Amendment 2014-14 is to increase the transfer from the General Fund by \$65,500 and increase expenditures for the same amount for projected costs related to the Jib Property Waterfront Access Grant Project Fund. The Finance and Administration Committee of the Council reviewed the proposed resolution and budget ordinance amendments and recommended adoption.

***Councilwoman Warrender MOVED, seconded by Councilman Thompson, and carried unanimously, [Councilmen Ballou and Taylor absent] to adopt Resolution 2014-13 Declaration of Official Intent to Reimburse for Waterfront Access Improvements in the 700 Block of Shepard Street [Jib Plaza Project] and Budget Ordinance Amendments 2014-13 and 2014-14 Regarding the Jib Property Waterfront Access Grant Project Fund.***

**III. Presentation of the Space Needs Analysis Report – Stelios Xystros and Karen Califano of MMM Design of Norfolk, Virginia**

City Manager Whitlow reported that at the October 8, 2013, Council Meeting, the Council approved authorization for contract negotiations with MMM Design of Norfolk, Virginia for a Space Needs Analysis for all properties owned by the Town of Morehead City. The scope of the services was: [1] compiling building data; [2] interviews with key personnel; [3] survey building and property conditions; and [4] develop a space and staff needs program. He introduced Stelios Xystros and Karen Califano of MMM Design and their report entitled “Morehead City Space Needs Analysis and Concept Designs” dated March 28, 2014 was distributed.

Mr. Xystros explained that his staff walked through the buildings for visual inspections which were assessed as good, average or poor and interviewed City staff. The report covers a ten [10] to 20 year growth cycle. The assessment included: City Hall, Municipal Building, Webb Memorial Library, Charles Wallace School, the Public Utilities Building at 5<sup>th</sup> Street used for storage, the Public Works vehicle garage and the Recreation Building. He explained that some of the buildings do not meet building and life safety code issues such as for fire protection, handicapped accessibility, etc.

Upon a question from Councilman Thompson, Mr. Xystros explained that even though the Webb Memorial Library has been upfitted for handicapped accessibility issues, especially the elevator, the restrooms are not truly handicapped accessible.

Councilman Thompson commented that Morehead City is not unique in having problems with handicapped accessibility issues.

### **Municipal Building**

Ms. Califano explained on how their staff arrived at the square footage needs for the City and stated that the City would need 20,000 square feet to house all of their office needs in one [1] building. This figure does not include the staff of the Recreation Center or Library. She demonstrated proposed room layouts for furniture.

The proposed layout of the Municipal Building was presented and discussed. The deficiencies of the site are that the adjacent land is leased by the City and there is no parking on the site. The approximate cost to renovate and build the Municipal Building addition is \$5.5 million.

### **Charles Wallace Building Site**

The Charles Wallace site had four [4] proposed option. The first was a one-story with the second floor remaining bare. This would meet the basic needs for City staff with the option of having the unused floor rented out to tenants. This option was approximately \$3.8 million.

Councilman Thompson questioned the use of the current auditorium.

Mr. Xystros explained that it would be more efficient and cost effective to construct a new auditorium.

With the two-story option, Mr. Xystros explained the need for the two extra staircases and that elevators would have to be added. The cost of this option was approximately \$4 million.

With the third option, a portion of the west and east ends of the Charles Wallace building were demolished for cost savings and the option that only City employees would be housed in the building. This version would be approximately \$3.3 million.

The fourth option was not using the Charles Wallace Building, allowing the building to remain, but building an entirely new one on the site. The cost was approximately \$5.2 million.

Discussion centered on perhaps placing the library on the second floor of the Charles Wallace Building. Mr. Xystros explained that placing the Library on the second floor would need serious consideration as it could be a heavy load for the building to handle. The Library has approximately 8,000 square feet currently, but could use 10,000 square feet.

**Garage Building**

It was determined that the building would not be a renovation project. It needs to be totally demolished.

**City Hall**

There are no options available for the building as it would cost too much to bring it into feasibility.

**5<sup>th</sup> Street Building**

There are no options for this building.

Councilman Thompson stated he “heard” the building was to be disposed.

Mayor Jones stated there has been no action from the Council authorizing disposal of the 5<sup>th</sup> Street Building.

**Recreation Building**

Councilman Walker commented that this building should be studied to bring it up to code.

City Manager Whitlow replied that this is being proposed in the budget for minor renovations.

**IV. Adjournment**

There being no further business, the meeting was adjourned at 10:00 a.m.

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Gerald A. Jones, Jr., Mayor

Attest:

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Jeanne M. Giblin, City Clerk